IN THE

Supreme Court of the United States

OCTOBER TERM, [illegible]

NO. [illegible]

THE COCA-COLA COMPANY,

DIXI-COLA LABORATORIES, INC.,
CONSTANTINE [illegible],
ROY GOBER [illegible],
ALFRED [illegible],
APOLA EXTRACT [illegible],

BRIEF FOR THE [illegible]

JOSEPH S. [illegible]

W. HAMILTON [illegible]

[illegible]

IN THE

Supreme Court of the United States

OCTOBER TERM, 1940

No. 1059

THE COCA-COLA COMPANY,
Petitioner,

v.

DIXI-COLA LABORATORIES, INC., ROBERT W. KRUSE, CONSTANTINE GRIVAKIS, WILLIAM H. HENNEN, ROY GOBRECHT, MARTIN FOX, JACK J. STREGER, ALFRED O'NEILL, MARBERT PRODUCTS, INC., and APOLA EXTRACT AND SYRUP CORPORATION,
Respondents.

BRIEF FOR THE RESPONDENTS IN OPPOSITION.

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OPINIONS BELOW

The opinion of the District Court (R. 1532-1546) is reported in 31 Fed. Supp. 835.

The opinion of the Circuit Court of Appeals for the Fourth Circuit (R. 2159-2175) is reported in 117 Fed. (2d) 352.

JURISDICTION

The judgment of the Circuit Court of Appeals was entered on January 11, 1941 (R. 2176). A petition for rehearing was denied on February 18, 1941 (R. 2197). The petition for Writ of Certiorari was filed on May 15, 1941. The jurisdiction of this Court is invoked under Section 240 of the Judicial Code as amended by the Act of February 13, 1925.

QUESTION PRESENTED

Does respondents' use of the marks "Dixi-Cola" and "Mar-Bert the Distinctive Cola" constitute an infringement or "colorable imitation" of "Coca-Cola", having regard for the fact that the word cola aptly describes the cola ingredient of respondents' beverages and is the generic designation of a recognized class of beverages?

STATEMENT

The Coca-Cola Company sued the respondents for trade-mark infringement and for unfair competition (R. 10-11).

The claim of trade-mark infringement was predicated upon the respondents' use of the word cola as part of their trade-marks (R. 10), which word the Court below found to be descriptive

and generic (R. 2168, 2169, 2172). Petitioner's contention was not that the marks in their totality were so similar as to lead to any confusion of goods, but that respondents' use of the word cola might lead the public to regard their drinks as other and different products of the Coca-Cola Company (R. 2162, 2160, 1548; Petitioner's Reply Brief in Court Below pp. 21, 102).

The acts of unfair competition consisted principally of respondents' alleged encouragement of dealers to substitute or pass off respondents' syrup and beverage as and for the petitioner's in the sale of such syrup and beverage at soda fountains and at bars and taverns in glasses for immediate consumption (see e.g. R. 74-75; 84; 94-95; 1187-1188; 1356-1357; 1395-1396). The record discloses that approximately 90% of respondents' business in 1939, just prior to trial, related to the sale of their concentrate for use in the preparation of *bottled* drinks (R. 502, 503), as distinguished from the sale of their beverages for consumption in non-bottled form.

The Trial Court found respondents guilty of both trade-mark infringement, by reason of their use of the word "cola" as part of their marks, and unfair competition (R. 1553). It granted a sweeping injunction which not only restrained respondents from using the characteristic brown color of a cola beverage in the sale of their products in non-bottled form and from engaging in the various acts of unfair competition with which they were charged (R. 1553-55), but also from

> "using, as part of the name of their products, the word 'cola', regardless of whether the syllable placed in front of the word 'cola' is like or unlike the syllable 'Coca', — whether it looks like it, or, when pronounced sounds like it." (R. 1546.)

An appeal was thereupon taken by the respondents to the Circuit Court of Appeals. The questions which were pressed on the appeal were whether respondents' marks "Dixi-Cola" and

Note: Petitioner's display (its petition opposite, p. 3) is not accurate in the following respects: The only marks that are involved in the present petition are Dixi-Cola and MarBert The Distinctive Cola, and, consequently, we have set forth above the pictures of the bottles upon which these marks are placed, together with a picture of petitioner's bottled drink. The Dixi-Cola crown shown in the Petition is not of respondents' design, the same having been specially ordered by one franchise bottler in Birmingham, Ala. (R. pp. 304, 305). The authorized Dixi-Cola crown is as portrayed above, having a red background with the trade-mark printed in white. (Defendant's physical exhibit no. 1).

"MarBert the Distinctive Cola" constituted infringements of Coca-Cola and whether respondents should be restrained from the use of brown coloring in the sale of their beverages in non-bottled form. No defense was made in respect of such marks as "Apola Cola" and "Lola Kola" (R. 2160).

The Circuit Court of Appeals held that the respondents' use of their marks "Dixi-Cola" and "MarBert the Distinctive Cola" did not infringe upon Coca-Cola and modified the decree of the lower Court accordingly (R. 2174, 2175). Except for the issue of infringement, the decree of the District Court in all other respects was affirmed (R. 2175).

After a painstaking examination of the record and consideration of the arguments of the parties and on the basis of reasoning fully in accord with the principles of infringement laid down by this Court and the Circuit Courts of Appeals in innumerable decisions, the Court concluded that the marks in controversy as used were not confusingly similar, and that there was no reasonable likelihood of the respondents' products being mistaken as and for the petitioner's, or regarded as emanating from the same source (R. 2174).

The Court thus limited its ruling to the facts before it and treated the case as an ordinary suit for trade-mark infringement and unfair competition. The petitioner's real complaint is not that the Court failed to consider and give weight to all the facts in the record before it, but that it refused to make a sweeping declaration in petitioner's favor in respect to its claim to monopoly in the word cola, as had been done by the District Court.

Petitioner has set forth opposite page 3 of its petition colored reproductions of various bottle caps. Since a bottle cap is only one part of the entire dress of a bottled beverage, in order that the Court have a complete picture of the appearance of the products in controversy, respondents are setting forth on facing page colored reproductions of the bottled beverages of the parties.

SUMMARY OF ARGUMENT

I. The basic question in this case is whether respondents' use of their marks "Dixi-Cola" and "MarBert the Distinctive Cola" constitute an infringement of Coca-Cola. The issue of infringement is concededly a question of fact (Pet. p. 14). This Court has repeatedly refused to review the determination of infringement by the Circuit Courts of Appeals in accordance with its settled practice that certiorari will not be issued to review questions of fact. Thus, this Court denied certiorari to review a finding of infringement by the Circuit Court of Appeals of this very circuit in another litigation in which the present petitioner was a party. In resisting the application for certiorari (*Old Dominion Beverage Corp.* v *Coca-Cola Company,* 271 Fed. 600 [C. C. A. 4th, 1921], cert. den. 256 U. S. 703 [1921]), the Coca-Cola Company asserted, at p. 8 of its brief of opposition:

> "The decision of the Circuit Court of Appeals establishes no rule of law but determines only a question of fact, which could never be duplicated in any case between other parties, and therefore could never constitute an authority of general or public interest."

II. The supposed conflict in the decisions which petitioner stresses is in fact non-existent and springs from differences of fact in various litigations and not from any differences of fundamental principle. Thus, this Court, after granting certiorari in *Wisconsin Electric Co.* v. *Dumore Co.,* 35 Fed. (2d) 555 (C. C. A. 6th, 1929), on the claim of the very conflict now asserted by the present petitioner, subsequently dismissed the writ of certiorari as improvidently granted, stating (282 U. S. 813 [1931]):

> "It appearing that the asserted conflict in decisions arises from differences in states of fact, and not in the application of a principle of law, the writ of certiorari is dismissed as improvidently granted."

III. Petitioner has invoked §16 of the Trade-Mark Act in an attempt to create an issue for review where none exists. No question of statutory construction is presented by this case, since §16 admittedly (Petitioner's Br. p. 29) codifies the common law rules of infringement, which rules were correctly applied by the Court below.

IV. Certiorari was denied in *Coca-Cola Co.* v. *Carlisle Bottling Works,* 43 Fed. (2d) 119 (C. C. A. 6th [1930]), cert. den. 282 U. S. 883 (1930), where essentially the same questions which are now presented were raised by the Coca-Cola Company in its petition for certiorari. Both the District Court and the Circuit Court of Appeals held that the mark "Roxa Kola" was not an infringement of Coca-Cola.

V. Certiorari has been repeatedly refused by this Court from rulings of non-infringement, where the only point of similarity between the marks in controversy was a common suffix. Thus certiorari has been denied in the following cases holding that there was no infringement between such marks as "Roof Leak" - "Never Leak"; "Krank's Lather Kreem" - "Twilight Lather Cream"; "Spearmint" - "Peptomint"; "Kentucky Tavern" - "Town Tavern"; "Red Heart" - "Strongheart".* The decision below rests upon the basic principle of trade-mark law that it is no infringement for a trader to use as part of his trademark a descriptive or generic word which has already been adopted by another, provided that the competing marks, taken as a whole, are clearly distinguishable.

VI. The decision below is in accord with this Court's decision in *Coca-Cola Co.* v. *Koke Co.,* 254 U. S. 143 (1920). Not only was the descriptive and generic nature of the word cola not in issue in the Koke case, but the Coca-Cola Company offered testimony establishing the descriptiveness of the word cola,

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* See discussion infra, pp. 17 and 18.

to meet the charge that its mark misdescribed its product, and, in addition, expressly represented in its brief that the testimony in the record before this Court established "that the public recognize that the beverages to which those of the parties belong is a large and well defined class of drinks" (Coca-Cola Reply Brief, pp. 28-9). The Coca-Cola Company asserted in the same brief (p. 51) that this class of drinks "were not classified as soda water, or root beer, or lime juice or sarsaparilla, ***but as cola drinks.***"

VII. Section 735(1) of the Restatement of Torts is supported by the decision of *DuPont Cellophane Co.* v. *Waxed Products Co.,* 85 Fed. (2d) 75 (C. C. A. 2d, 1936), which this Court twice refused to review on certiorari [299 U. S. 601 (1936), 304 U. S. 575 (1938), 305 U. S. 672 (1938)], and the overwhelming weight of authority. Furthermore, the Restatement deals with the subsequent genericness of words which were initially trademarks, whereas the question here is whether cola, which was never petitioner's trade-mark and which has never been used by petitioner or by the public to designate the source of petitioner's product, is a generic term.

VIII. The decision of the Court below is not in conflict with Rule 52(a) of the Rules of Civil Procedure. Petitioner invokes this provision of the Rules in an effort to create an issue of law which is not present in this case. None of the cases cited by it as having interpreted this rule was concerned with trade-mark litigation and there have been numerous cases since the adoption of this rule in which determinations on infringement by the District Courts have been reversed by the Circuit Courts of Appeals.

ARGUMENT

THE QUESTION OF INFRINGEMENT WHICH IS THE PRINCIPAL ISSUE IN THIS LITIGATION IS PRIMARILY A QUESTION OF FACT.

THE OTHER QUESTIONS WHICH PETITIONER REQUESTS THIS COURT TO REVIEW ARE HYPOTHETICAL AND ABSTRACT QUESTIONS WHICH ARE NOT RAISED BY THIS RECORD.

THE DECISION BELOW DOES NOT CONFLICT WITH THE RULINGS OF THIS COURT OR WITH THE DECISIONS IN OTHER CIRCUITS AND DOES NOT DEPART FROM THE ACCEPTED AND USUAL COURSE OF JUDICIAL PROCEEDINGS.

THE QUESTIONS URGED BY PETITIONER CONCERN THE LITIGANTS ALONE AND ARE NOT OF ANY GENERAL OR PUBLIC INTEREST.

There is a studied effort by the petitioner to create the impression that this case presents for determination novel questions of law which were decided below in conflict with settled authority and that the decision of the Circuit Court of Appeals constitutes a departure from established rules of trade-mark law. Actually, many of the questions discussed in the petition are not raised by this record and have no relation to the true issues in this case. The decision below is not only consistent with the doctrines laid down by this Court and by the Courts of Appeals in the other circuits in trade-mark litigation, but is in accord with every authoritative ruling on the very question that was before it, namely, whether the use of the descriptive and generic word cola as part of a distinguishable trade-mark constitutes an infringement.

1. Infringement is Essentially a Question of Fact.

The principal question controverted below and which is in issue between the parties here is whether respondents' marks

infringe upon Coca-Cola. The Court at the outset of its opinion stated (R. 2160):

> "The plaintiff concedes that the names Dixi-Cola and MarBert the Distinctive Cola are not so similar to the name Coca-Cola that a purchaser of the beverage known as Dixi-Cola or MarBert the Distinctive Cola would be led to believe that he was buying the beverage Coca-Cola, but the plaintiff nevertheless charges infringement on the ground that the use of the word 'cola' in defendants' trade-marks or trade-names leads the public to believe that their products originate with the plaintiff."[1]

The whole question, therefore, for determination was whether confusion of origin might result from the respondents' use of their marks. Whether infringement has occurred or is likely to occur is mainly a question of fact. This is conceded by the petitioner at page 14 of its petition, where it asserts "Infringement is a fact."

The Courts have repeatedly held that the issue of infringement is primarily one of fact.[2]

Under the settled practice of this Court a writ of certiorari will not be granted to review questions of fact.[3]

For this reason, this Court has repeatedly refused to review findings of infringement in the cognate field of patent litiga-

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[1] See: R. 2162-1548; Pet. Reply Brief in Court below, pp. 21, 102.

[2] See: *Howe Scale Co.* v. *Wyckoff, Seamans & Benedict,* 198 U. S. 118, 137 (1905); *American Steel Foundries* v. *Robertson,* 269 U. S. 372, 381 (1926); *Glenmore Distilleries Co.* v. *National Distillers Products Corporation,* 101 Fed. (2d) 479 (C. C. A. 4th, 1939), cert. den. 307 U. S. 632 (1939); *Kerly, The (English) Law of Trade-Marks,* 6th Edition 1927, p. 464.

[3] See: *Southern Power Co.* v. *North Carolina Public Service Co.,* 263 U. S. 508, 509 (1924); *United States of America* v. *James J. Johnston,* 268 U. S. 220, 227 (1925); *General Talking Pictures Corporation* v. *Western Electric Company,* 304 U. S. 175, 178 (1938). See also: *Robertson & Kirkham,* Jurisdiction of the Supreme Court of United States (1936) §282 at p. 534.

tion and has only granted certiorari in cases of a clear and unmistakable conflict of decision in the various circuits in respect of the same patent.[1]

That no occasion exists for the issuance by this Court of its discretionary writ to review a question of infringement has been recognized by this petitioner in its previous litigations. When the shoe was on the other foot and the Coca-Cola Company was opposing the granting of certiorari to review a decree of infringement entered by this very Circuit Court of Appeals in *Old Dominion Beverage Corp.* v. *Coca-Cola Co.*, 271 Fed. 600 (C. C. A. 4th, 1921), No. 908, Oct. Term, 1920, cert. denied 256 U. S. 703 (1921), it asserted at p. 8 in its brief of opposition:

> *"The decision of the Circuit Court of Appeals establishes no rule of law but determines only a question of fact, which could never be duplicated in any case between other parties, and therefore could never constitute an authority of general or public interest."*[2]

The factual nature of the questions now pressed by the petitioner has been expressly recognized by this Court in dismissing as improvidently granted a writ of certiorari which was issued in *Wisconsin Electric Co.* v. *Dumore Co.*, 282 U. S. 813 (1931). The claim was made by the petitioner in that case that the decision of the Circuit Court of Appeals for the Sixth Circuit, permitting the respondent to use the descriptive mark "Dumore", if properly qualified by the juxtaposition of its full corporate name "Dayton Washer Co.," notwithstanding petitioner's extended prior use of the same mark, was in conflict with the decisions of this Court and of the other Circuit Courts of Appeals. After the issuance of certiorari and the hearing of this case on the merits, this Court dismissed the writ in a *per curiam* decision, reading as follows:

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[1] *Robertson & Kirkham, op. cit. supra,* at p. 664.
[2] Italics ours unless otherwise indicated.

> "It appearing that the asserted conflict in decisions arises *from differences in states of fact, and not in the application of a principle of law,* the writ of certiorari is dismissed as improvidently granted."

2. There Was No Misapplication of Section 16 of the Trade Mark Act.

In order to create the impression that this case involves important questions of statutory construction, petitioner invokes Section 16 of the Trade-Mark Act as though that section creates new and special rights and lays down new and special tests for determining infringement. It claims that the Court below misapplied Section 16, stating at page 30 of its brief, that the Court

> "held in effect that there could be no infringement, and hence no remedy, where less than the whole of the petitioner's trade-mark had been appropriated."

There is nothing in the opinion of the Court below lending the slightest support to this extraordinary claim.

It is rather presumptuous of petitioner to suggest that the Court below was unaware of the provisions of Section 16 and did not appreciate that the proprietor of a trade-mark is entitled to relief against colorable imitation as well as the reproduction of his mark (see Petition p. 10). Section 16 admittedly codifies the common law rules of infringement (Pet. brief p. 29). A mark is a colorable imitation or an infringement where it is likely to cause confusion or mistake in the minds of the public or to deceive purchasers. Whether a mark is likely to cause confusion and thus infringes is essentially a question of fact. Such a question of fact is not transformed into a novel question of law by the easy expedient of quoting a phrase from the Federal Trade-Mark Act.

The Court below clearly recognized and applied the settled rules, both of the common law and statute, governing the de-

termination of infringement. Thus, for example, it quoted with approval in its opinion (R. 2170-2171) from the unanimous decision of the Supreme Court of Canada, in *Pepsi-Cola Co. of Canada, Ltd.*, v. *Coca-Cola Co. of Canada, Ltd.*, [1940] S. C. R. 17, where the Court applied the historic test of sight, sound and meaning in determining infringement. The opinion of the Court below similarly refers to the prior decisions in this very circuit, where relief was granted petitioner against "colorable imitations" (R. 2171-2172).

That the Court did not interpret Section 16 as merely interdicting the making of Chinese copies of a plaintiff's mark, is clearly indicated by the Court's statement in its opinion of the controlling issues in this case. The Court states (R. 2163):

> "We must, therefore, consider the defense now set up to this phase of the plaintiff's case that the word 'cola' is a descriptive and generic term, open to all the world, *which may be lawfully used as a part of a trade mark by competitors so long as the whole trade-mark is not confusingly similar to Coca-Cola.*"

The Court found that the respondents' marks in their totality were not confusingly similar to the petitioner's mark and therefore denied relief.

3. This Court Has Denied Certiorari in Coca-Cola Co. v. Carlisle Bottling Works, Where the Same Basic Issue of Infringement Was Involved.

Though lamenting the catastrophic effects which it believes the decision below will have on the law of trade-marks, petitioner has not seen fit to mention in its brief that this Court, a decade ago, denied certiorari to review the holding of the Circuit Court of Appeals for the Sixth Circuit, in *Coca-Cola Co.* v. *Carlisle Bottling Works*, 43 Fed. (2d) 119 (C. C. A. 6th, 1930), cert. den. 282 U. S. 883 (1930), that the mark Roxa Kola did not infringe Coca-Cola.

Essentially the same questions which are now presented were presented by the Coca-Cola Company in its petition and brief in the Roxa Kola case. There, as here, it printed in its petition facsimiles of the bottle caps used by the parties, and pointed out that the initial bottle cap of the respondent in that litigation consisted of a silver-colored background upon which the mark was printed in red letters. There, as here, the charge was made that the Circuit Court of Appeals had limited the concept of infringement to exact duplication or the making of a "Chinese copy" (Petitioner's Br. p. 10 in Roxa Kola litigation). There, as here, the claim was made that all effect had been denied petitioner's proof of numerous instances of passing off.

Both the District Court and the Circuit Court of Appeals, after considering many of the authorities that have been relied upon by the petitioner in the present litigation, including the decision of this Court in *Coca-Cola Co.* v. *Koke Co.*, 254 U. S. 143 (1920), found that Roxa Kola did not infringe Coca-Cola. The decision below (R. 2170) cites and is in full accord with the Roxa Kola case.

Notwithstanding petitioner's claim that the decision below is out of line with the rulings of other courts in trade-mark cases, it was unable to call to the attention of the Court below or to the attention of this Court any authoritative decision in which the use of the word cola as part of a trade-mark has been held to be an infringement *per se*. The reason is that the courts have uniformly held that it is no infringement for a competing manufacturer of a cola beverage to use the word cola as part of a distinguishable mark having a completely dissimilar prefix.

Thus, for example, the Supreme Court of Canada has held that "Pepsi-Cola" does not infringe "Coca-Cola" (*Pepsi-Cola Co. of Canada, Ltd.* v. *The Coca-Cola Co. of Canada, Ltd.* [1940] S. C. R. 17)*; Judge Hough in the District Court in 1912

* Leave to appeal to Privy Council has been granted.

held that "Espo-Cola" did not infringe "Coca-Cola" (*Coca-Cola Co.* v. *Williamsburgh Stopper Co.*, 2 T. M. R. 234 [S. D. N. Y.]); and in 1909 a Federal District Court held that "Miner's Citro-Cola" did not infringe "Coca-Cola" (*Seth A. Fowle, etc.* v. *Miner's Fruit Nectar Co.* [C. C. D. Mass., Eq. 1909] unreported).

The Court below concluded its review of the various Coca-Cola litigations as follows (R. 2172):

> "No reported case has come to our attention which distinctly holds that the word 'cola' cannot be used as part of a name of a beverage provided that the whole name is not confusingly similar to Coca-Cola."

4. The Decision Below Rests on Settled Rules of Trade Mark Law and Certiorari Has Been Repeatedly Refused in Similar Cases.

The basic principle which the Court found determinative of the infringement issue, and upon which it rested its decision, was stated by it as follows (R. 2163):

> "There are many cases which hold that it is not infringement for a trader to use as part of his trade name to designate his product a descriptive or generic word which has already been adopted by another, provided that the competing marks, taken as a whole, are clearly distinguishable."

Copious illustrations of this principle may be found in the decisions of the various Circuit Courts of Appeals which this Court has refused to review on certiorari, as well as the rulings of the lower Federal and State courts. This Court has denied certiorari to review the decision of the Seventh Circuit in *Sears, Roebuck & Co.* v. *Elliott Varnish Co.*, 232 Fed. 588 (C. C. A. 7th, 1916), cert. den. 242 U. S. 635 (1916) holding that "Never Leak" does not infringe the registered mark "Roof Leak". This decision followed the leading case of *S. R. Feil Co.* v. *John E.*

Robbins Co., 220 Fed. 650 (C. C. A. 7th, 1915), holding that "SalTone" does not infringe "Sal-Vet". Certiorari was likewise denied in *A. J. Krank Mfg. Co.* v. *Pabst,* 277 Fed. 15 (C. C. A. 6th, 1921), cert. den 259 U. S. 580 (1922), where it was held that "Twilight Lather Cream" did not infringe "Krank's Lather Kreem"; and in *Larson Co.* v. *Wrigley,* 253 Fed. 914 (C. C. A. 7th, 1918), cert. den. 248 U. S. 580 (1918) where "Peptomint" was held not to infringe "Spearmint".

This Court, moreover, has refused to grant certiorari in recent cases in which the Circuit Courts of Appeals have held that defendants could include as part of their marks arbitrary and fanciful terms previously used by the plaintiffs, thus extending this principle to the conjoint use of fanciful as well as descriptive terms. Thus, certiorari was refused in *Glenmore Distilleries Co.* v. *National Distillers Products Corp.,* 101 Fed. (2d) 479 (C. C. A. 4th, 1939), cert. den. 307 U. S. 632 (1939), where it was held that "Town Tavern" for whiskey was not an infringement of the registered mark "Kentucky Tavern", and in *John Morrell & Co.* v. *Doyle,* 97 Fed. (2d) 232 (C. C. A. 7th, 1938), cert. den. 305 U. S. 643 (1938), where "Strongheart" was held not to infringe "Red Heart".

That the decision below was thus consonant with the settled rules of trade-mark law is shown by the cases listed in the footnote, in which the courts have declined to find infringement where both the plaintiff and defendants used the same prefix or suffix in marks which were dissimilar in their totality.*

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Plaintiff's Mark	*Defendant's Mark*
Hyglo	Glo-Ray (1)
BAIN de CHAMPAGNE	Bain Mousseux (2)
Py-Do	Py-O-My (3)
Vapex	Vapure (4)
King Oscar	King Olav (5)
Steel Shod	Steel Clad (6)
Kickernick	Kickaway (7)
Muresco	Murafresco (8)

It is thus apparent that there is no basis for the contention of the petitioner that the decision below departed from settled authority in permitting "one-half" of its mark to be used denominatively as part of the respondents' marks. The inclusion of "one-half" of a plaintiff's mark in a distinguishable compound of a defendant has been held not to constitute an infringement in the many cases cited above.

Moreover, the petitioner's mark is Coca-Cola, not cola. It never used the word cola alone in any respect. Indeed, cola can no more be said to be one-half of petitioner's mark than it is one-half of Roxa Kola or of the other cola marks which have been sustained by the courts.

Blue Ribbon	Blue Anchor [9]
Valvoline	Havoline [10]
Heatovent	Univent [11]
Blue Streak, Blue Whirl	Blue Tip [12]

[1] *Graf Bros. Inc.* v. *Marks,* 41 Fed. (2d) 167 (E. D. N. Y., 1929).

[2] *Caron Corporation* v. *Maison Jeurelle-Seventeen, Inc.,* 26 Fed. Supp. 560 (S. D. N. Y., 1938).

[3] *Colburn* v. *Puritan Mills,* 108 Fed. (2d) 377 (C. C. A. 7th, 1939). The Court regarded the plaintiff's mark as descriptive but did not rest its decision on this ground.

[4] *Thomas Kerfoot & Co.* v. *Louis K. Liggett Co.,* 67 Fed. (2d) 214 (C. C. A. 1st, 1933).

[5] *Chr. Bjelland & Co., Inc.* v. *Victor M. Calderon & Co., Inc.,* 9 N. Y. Supp. (2d) 720 (Sup. Ct. N. Y., 1939), aff'd. 21 N. Y. Supp. (2d) 511 (1st Dept., 1940).

[6] *Brennan* v. *Emery-Bird-Thayer Drygoods Co.,* 99 Fed. 971 (C. C. W. D., Mo., 1900). The Court questioned the validity of the plaintiff's mark.

[7] *Winget Kickernick Co.* v. *La Mode Garment Co.,* 42 Fed. (2d) 513 (N. D. Ill., 1930).

[8] *Moore & Co.* v. *Auwell,* 172 Fed. 508 (C. C. E. D., N. Y.), 1909), aff'd. 178 Fed. 543 (C. C. A. 2d, 1910).

[9] *Premier Malt Products Co.* v. *Kasser,* 23 Fed. (2d) 98 (E. D. Pa., 1927), aff'd. 26 Fed. (2d) 1021 (C. C. A. 3d, 1928).

[10] *Valvoline Oil Co.* v. *Havoline Oil Co.,* 211 Fed. 189 (S. D. N. Y., 1913).

[11] *Nelson Corp.* v. *Columbus Heating Co.,* 11 Fed. (2d) 273 (C. C. A. 6th, 1926).

[12] *Turner & Seymour Mfg. Co.* v. *A. & J. Mfg. Co.,* 20 Fed. (2d) 298 (C. C. A. 2d, 1927).

5. The Decision of the Court Below is Not in Conflict with Coca-Cola Co. v. Koke Co., 254 U. S. 143.

The ruling of the Circuit Court of Appeals is fully supported by the decision of this Court in *Coca-Cola Co.* v. *Koke Co.,* 254 U. S. 143 (1920).

The Coca-Cola Company in the *Koke* case sought to prevent the use by the defendant of the term "Koke". The Record and briefs filed in this Court disclose that the Coca-Cola Co. produced voluminous testimony to prove that "Koke" was the popular nickname of its product, and that the public called for its drink by this term as well as by "Coca-Cola". The defendant argued that "Koke" was not the popular nickname of the plaintiff's product, but that it was used by the public to designate the entire class of cola beverages. The defendant also argued that the plaintiff was not entitled to equitable relief because it had been guilty of misrepresentation and because its mark was misdescriptive. It argued that the mark implied the presence of cocaine in the product and contended that plaintiff's drink did not contain sufficient cola extract to warrant the use of cola as part of its mark.

The District Court in *Coca-Cola Co.* v. *Koke,* 235 Fed. 408 (D. C. Ariz. 1916) found that "Koke" is "an abbreviation of the words 'Coca-Cola' " and is used "by the public and by purchasers in designating the plaintiff's product" (p. 414), and accordingly granted an injunction.

The Circuit Court of Appeals [*Koke Co. of America* v. *Coca-Cola Co.,* 255 Fed. 894 (C. C. A. 9th, 1919]) reversed this ruling and held that the Coca-Cola Co. must be denied relief by reason of its "deceptive, false, fraudulent, unconscionable conduct", page 896.

This Court granted certiorari, limiting its review to the one question of unclean hands, stating per Mr. Justice Holmes, 254 U. S. 143 at p. 145:

"That is the question upon which the writ of certiorari was granted and the main one which we shall discuss."[1]

To meet the charge of unclean hands, the Coca-Cola Company had offered testimony to the effect that cola extract is a bitter and potent flavoring ingredient; that cola affects the flavor and taste of this drink despite the small quantities used; and that the importance of a flavoring substance such as cola is qualitative rather than quantitative. This Court dismissed the defense of unclean hands and held that the charge that plaintiff's mark was misdescriptive had not been sustained. In holding that the Coca-Cola mark was not misdescriptive, it is apparent that this Court was of the opinion, in view of the contentions made in the litigation, that petitioner's use of cola as part of its mark was justified by the presence of the cola ingredient in its drink.

To meet the defendant's contention that Koke did not refer to plaintiff's product but to any member of this class of beverage, the Coca-Cola Company represented to this Court that the testimony in the case established that cola was the generic designation for the type of soft drink of which its product was the prototype. Thus, in its reply brief, it stated:

> "Something approximating the formula could in various ways be ascertained and one beverage after another came upon the market until there was a numerous class known as cola and caffeine drinks. Respondents, on page 154 of their brief, mention sixty-eight by name, and it is true as they say (page 152) that *'the testimony herein shows that the public recognize that the beverages to which those of the parties belong is a large and well-defined class of drinks.'"* (Pp. 28-29.)

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[1] Petitioner now asserts on pages 3, 16, 26, 27 that this Court, in the *Koke* case adjudicated Coca-Cola to be a valid mark. The vigorous attack launched by the defendant against the validity of the Coca-Cola mark impelled the plaintiff to argue that its mark had acquired a secondary meaning. This Court finding that such a secondary meaning had been developed, thus found it unnecessary to consider the question of validity.

> "The public recognized difference enough to put this beverage in a class by itself. And soon competition sprung up — almost at once, and various beverages, asserted to be made according to the Pemberton formula, so far as that formula was discoverable by analysis or otherwise to the number of a hundred or more, were placed upon the market, and they were known by the trade and by the public as coca, or more generally as cola drinks. *They were not classified as soda water, or root beer, or lime juice or sarsaparilla, but as cola drinks.* They had a taste and flavor of their own, as tea and coffee, and wines and liquors have, each its own taste and flavor, and differed as among these there might be differences in the same class. And Coca-Cola was the prototype of its class." (Pp. 50-51.)
>
> "Everyone testifying upon the subject speaks of Coca-Cola as a cola drink, as having the taste and flavor peculiar to cola drinks." (Pp. 54-55.)

It is thus apparent that the *Koke* case recognizes no rights of the petitioner in the word cola.

Petitioner, at page 12, now states:

> "The evidence in the case at bar, with respect to the asserted generic character of 'Cola', does not differ substantially either in character or amount from the like evidence before this court in *Coca-Cola Company* v. *Koke Co.*, 254 U. S. 143."

In view of petitioner's assertion in its brief in the *Koke* case, that cola is a generic term, its generic nature at the present time can no longer be questioned.

Nor, can it be contended that the *Koke* case holds that "Koke" is an infringement of "Coca-Cola" by reason of its similarity to the prefix Coca as is asserted by the petitioner in page 13 of its petition.

The word "Koke" was protected because the petitioner had adduced proof that it was the abbreviation of its mark and the popular nickname of its product. Far from claiming that cola

was the nickname of its product, the Coca-Cola Company in the *Koke* case asserted that it was the generic designation of an entire class of beverages of which its drink was but one member. No evidence was adduced in the present case that cola is the nickname or abbreviation of Coca-Cola. There is no proof that the public ever asks for its drink by the name cola. Under these circumstances, it is clear that no exclusive right in the word cola can be sustained.

The *Koke* case thus fully supported the ruling below that cola is a descriptive and generic word.

Parenthetically, it should be stated that in the *Roxa Kola* case, in which certiorari was denied by this Court, the Coca-Cola Company cited the *Koke* case in support of its petition for certiorari.

6. The Decision Below is in Accord with the Decisions of This Court and of the Other Circuit Courts of Appeals.

The petitioner asserts in Point Seven of its brief (p. 40) that the decision below, in refusing to restrain the respondents from using the descriptive and generic word cola as part of their trade-marks, is in conflict with such decisions as *Barton* v. *Rex-Oil Co.*, 29 Fed. (2d) 474 (C. C. A. 3d, 1928); *Baglin* v. *Cusenier Co.*, 221 U. S. 580 (1911), and kindred cases. ***But this Court has expressly held that the supposed conflict which is here asserted springs not from any difference of fundamental principle but from differences of fact alone.***

Page 3 of the petition for certiorari in *Wisconsin Electric Co.* v. *Dumore Co.*, 35 Fed. (2d) 555 (C. C. A. 6th, 1929) certiorari granted 281 U. S. 710 (1930), discussed above on page 13, read as follows:

> "1) Your petitioner bases its prayer for the granting of this petition on the direct conflict between the legal principles underlying the decision of the Circuit Court

of Appeals of the Sixth Circuit and a decision of the Circuit Court of Appeals of the Third Circuit in *Barton* v. *Rex Oil Co.*, 29 F. R. (2d) 474,

"2) There is also a direct conflict between the legal principles underlying the Sixth Circuit Court of Appeals decision, and the decisions of this Court, as exemplified in *Jacobs* v. *Beecham*, 221 U. S. 263, and in *Baglin* v. *Cusenier*, 221 U. S. 580."

After the hearing of this case on the merits this Court dismissed the writ of certiorari, in a *per curiam* decision (282 U. S. 813 [1931]) reading as follows:

> "It appearing that the asserted conflict in decisions arises from *differences in states of fact, and not in the application of a principle of law*, the writ of certiorari is dismissed as improvidently granted."*

The petitioner, at the outset of this Point, at pages 40-1, seeks to create an impression of conflict among the authorities in respect of the descriptiveness of the word cola. This is done by taking portions of the opinion below out of their context. The determination of the Court below that cola is a descriptive word was a finding of fact which is abundantly established by the record in this case, including the unequivocal admissions of Pemberton, the originator of Coca-Cola (Deft. x. 29, R. 1706) in the label used upon this product, and of Asa G. Candler, the President of the Coca-Cola Company (Deft. Ex. 37, R. 1760). The Court below (R. 2164-2166) relied upon these admissions and upon the ruling of this Court in *U. S.* v. *Forty Barrels of*

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* Moreover, the same Court that decided *Barton* v. *Rex-Oil Co.*, 2 Fed. (2d) 402, 29 Fed. (2d) 474 (C. C. A. 3d, 1928) recognized in a later case, *Fawcett Pub. Inc.* v. *Popular Mechanics Co.*, 80 Fed. (2d) 194 (C. C. A. 3d, 1935), that its prior decision had gone too far (p. 197) and refused to restrain the use of the word "Mechanics" as part of the trade-mark "Modern Mechanics and Inventions," (the latter two words being printed in smaller type and placed under the words "Modern Mechanics") at the suit of the proprietor of the mark "Popular Mechanics."

Coca-Cola, 241 U. S. 265, at p. 288, where Mr. Justice Hughes stated:

> "Nor would it be controlling that at the time of the adoption of the name the coca plant was known only to foreigners and scientists; for if the name had appropriate reference to that plant and substances derived therefrom, its use would primarily be taken in that sense by those who did know or who took pains to inform themselves of its meaning. Mere ignorance on the part of others as to the nature of the composition would not change the descriptive character of the designation."

The conclusion of this Court in the *Forty Barrels* case was:

> "In the present case we are of opinion that it could not be said as matter of law that *the name was not primarily descriptive of a compound with coca and cola ingredients, as charged.*" (p. 289.)*

Petitioner asserts that the Court below drew a distinction between trade-marks which are initially descriptive and those which are initially fanciful and denied it the protection to which its mark is entitled by virtue of its federal registration and the development of a secondary meaning (pp. 11, 31 et seq.).

That the Court did not draw the distinction asserted by petitioner is indicated by the following passage in its opinion:

> "In reality, there is no important difference between a trade name and a trade-mark with respect to the protection afforded by the courts to the exclusive right of the owner to use it to denominate his goods." (R. 2162.)

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* To the same effect as to the unimportance of the public understanding of descriptive language is *Searle & Hereth Co.* v. *Warner,* 112 F. 674 (C. C. A. 7th, 1902), aff'd. by this Court in 191 U. S. 195 (1903). Grosscup, J., speaking for the Circuit Court of Appeals, stated at p. 676:

> "The flowering into popular language of the more or less restricted nomenclature of a useful medical advance cannot be thus imprisoned or cut off by the farsighted bidder for popular favor."

Moreover, this Court's denial of certiorari in *Glenmore Distilleries Co.* v. *National Distillers Products Corp.*, 101 Fed. (2d) 479 (C. C. A. 4th, 1939), cert. den. 307 U. S. 632 (1939), where it was held that "Town Tavern" did not infringe the valid arbitrary registered mark "Kentucky Tavern", and in *John Morrell & Co.* v. *Doyle*, 97 Fed. (2d) 232 (C. C. A. 7th, 1938), cert. den. 305 U. S. 643 (1938), where it was held that "Strongheart" does not infringe "Red Heart", indicates that petitioner received here the same protection as is accorded arbitrary, fanciful registered trade-marks.

Petitioner's real complaint is not that the Court drew the distinction which it suggests, but that it refused to adopt a contention which it advanced which is manifestly unsound and unsupported by authority. Petitioner states (pp. 32-33):

> "It is now a well established principle that the owner of a trade-mark, valid through secondary meaning, 'whatever may have been its original weakness', is entitled to protection against use of his mark *or any part of it* in the mark of a competitor."

Petitioner cannot cite a single case which supports this assertion that the development of a secondary meaning in a compound word mark endows the owner of such mark with exclusive rights in each of its component parts. The cases are clear that ownership of the mark Coca-Cola did not confer ownership of the word cola upon the petitioner [*Loughran* v. *Quaker City Chocolate & Confectionery Co.*, 296 Fed. 822 (C. C. A. 3d, 1924); *Caron Corporation* v. *Conde*, 126 Misc. 676, 213 N. Y. Supp. 735 (Sup. Ct. N. Y., 1926); *Graf Bros.* v. *Marks*, 41 Fed. (2d) 167 (E. D. N. Y., 1929)]. The descriptive and generic word cola is open to use by the trade as part of a distinguishable mark. The host of cases cited at pp. 16 and 17 *supra*, establishes this basic proposition.

The petitioner cites *Thaddeus Davids Co.* v. *Davids Mfg. Co.*, 233 U. S. 461 (1914) and *Armstrong Paint & Varnish Works* v.

Nu-Enamel Corp., 305 U. S. 315 (1938) in support of its argument. In both of these cases, the defendants were using not part but essentially the entire mark previously used by the plaintiffs. This Court found that since the defendants' marks were confusingly similar to the plaintiffs' registered marks, the plaintiffs were entitled to an injunction. In the case at bar, the Court below found that the defendants' marks were not confusingly similar to the plaintiffs' mark, and therefore denied an injunction. Under the authority of these cases, petitioner is entitled to protection against marks which in their totality are confusingly similar to its mark, but not against the use by respondents of marks which are not confusingly similar.

In arguing that the Circuit Court of Appeals denied petitioner the protection to which its mark was entitled, the petitioner states at page 32 of its brief:

> "The Court seemed to entertain the idea that unless purchasers of, for example, 'Dixi-Cola', thought that the substance 'Dixi-Cola' was the substance 'Coca-Cola', there was no actionable wrong."

This is a palpable misreading of the opinion below. The Court in its opinion clearly states that confusion of origin as well as confusion of goods may constitute infringement (R. 2163). It, however, found that no such confusion is likely here.

7. Section 735(1) of the Restatement of Torts is Supported by DuPont Cellophane Co. v. Waxed Products Co., which This Court Twice Refused Review On Certiorari.*

Petitioner asserts that Section 735(1) of the Restatement of Torts is in clear conflict with established law, and that it was misapplied by the Court below to the facts of this case.

Petitioner's contentions proceed upon the assumption that it possessed and possesses trade-mark rights in the word cola. This word, however, was initially a descriptive term which could not be appropriated as a trade-mark. It was never used as a trade-mark by petitioner and no trade-mark rights in the term were ever acquired. Not having had any trade-mark rights, obviously petitioner is not deprived of any property interest or of any rights in its mark Coca-Cola by the decision below.

Furthermore, under settled doctrines of trade-mark law, the respondents could use cola as part of their distinguishable trade-marks by reason of the admitted descriptiveness of this term, whether or not it was also generic at the time of this litigation. It is apparent from an examination of its opinion that the Court below merely referred to this section as an additional reason for its decision.

There is no basis for petitioner's claim that the Restatement departs from settled principles of trade-mark law.

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* This section of the Restatement was drafted by a committee of experts consisting of Professor Harry Shulman of the Yale Law School, the reporter, and Judges Learned Hand and Augustus Hand, of the Circuit Court of Appeals of the Second Circuit, Judge Herbert F. Goodrich of the Circuit Court of Appeals of the Third Circuit (then Dean of the Pennsylvania Law School), Judge T. Scott Offutt, of the Court of Appeals of Maryland, Judge Oliver W. Branch of the Supreme Court of New Hampshire, Judge J. Warren Madden of the Court of Claims (then Chairman of the National Labor Relations Board), Professor E. M. Morgan of the Harvard Law School, Professor Milton Handler of Columbia Law School, and Professor Laurence H. Eldredge of Pennsylvania Law School.

The Restatement codifies an established rule of the law of trade-marks. One of the most important rulings relied upon by the American Law Institute in the adoption of this section was the unanimous decision of the Circuit Court of Appeals in *DuPont Cellophane Co.* v. *Waxed Products Co.*, 85 Fed. (2d) 75 (C. C. A. 2d, 1936), holding that the word "cellophane", though initially a trade-mark, had lost its trade-mark significance and had become a generic term.

This Court twice denied petitions for certiorari to review both the interlocutory and the final decrees in that litigation (299 U. S. 601 [1936], 304 U. S. 575 [1938]). In both petitions, the same claims now made in respect of the decision below and Section 735(1) of the Restatement of the Law of Torts were advanced in language reminiscent of that used in the present petition and brief. The same authorities which are now said to be inconsistent with Section 735(1) of the Restatement were said to be in conflict with the ruling in the *Cellophane* case. The same criticisms were lodged against that decision as unsettling the law of trade-marks and as jeopardizing the rights of trade-mark proprietors as are asserted here.

This Court nevertheless twice denied certiorari, and also denied a petition for rehearing (305 U. S. 672 [1938]).

A wealth of modern authority,[1] including the rulings of the highest courts of the State of Maryland,[2] fully supports the rule of the Restatement or the philosophy which underlies it.

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[1] Saxlehner v. Wagner, 216 U. S. 375 (1910); Kellogg Co. v. National Biscuit Co., 305 U. S. 111 (1938); Bayer Co. v. United Drug Co., 272 Fed. 505 (S. D. N. Y., 1921); DuPont Cellophane Co. v. Waxed Products Co., 85 Fed. (2d) 75 (C. C. A. 2d, 1936), cert. den. 299 U. S. 601 (1936); DuPont Cellophane Co. v. S. H. Kress Co., 19 U. S. P. Q. 13 (S. D. N. Y., 1933); Industrial Rayon Corp. v. Dutchess Underwear Corp., 92 Fed. (2d) 33 (C. C. A. 2d, 1937), cert. den. 303 U. S. 640 (1938); Lekas & Drivas Inc. v. Achaia-Clauss Wine Co., 36 U. S. P. Q. 98 (S. D. N. Y. 1937); Lawyers Title Ins. Co. v. Lawyers Title Ins. Corp., 109 Fed. (2d) 35, 41-2 (App. D. C. 1939), cert. den. 309 U. S. 684 (1940); Thierfeld v. Postman's Fifth

Petitioner argues that property rights in a trade-mark can be lost only through voluntary relinquishment or abandonment. This contention has no relevance to the present case since there has been no question as to any loss or abandonment of petitioner's rights in its mark Coca-Cola.

Moreover, two of the decisions upon which the Restatement relies, the *Cellophane* and *Aspirin*[1] decisions, expressly hold that a mark, originally valid, which acquires a generic meaning, becomes *publici juris,* regardless of the absence of any intention of the original owner to abandon the mark, and indeed, despite his efforts to preserve his rights therein.

In the interest of free competition, it is essential that words which become generic should be open to all. *Saxlehner* v. *Wagner,* 216 U. S. 375 (1910). The use of such words as part of various trade-marks, manifestly, cannot lead to any deception of the public.

It is pertinent in this connection to point out that the petitioner has consented to the use by others of the word cola as

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Ave. Corp., 48 U. S. P. Q. 627 (S. D. N. Y., 1941); Shipley v. Hall, 256 Fed. 539 (E. D. Pa., 1919); Brooten v. Oregon Kelp Ore Products Co., 24 Fed. (2d) 496 (C. C. A. 9th, 1928); Burger Brewing Co. v. Maloney-Davidson Co., 86 Fed. (2d) 815, 817 (C. C. A. 6th, 1936); Kentucky D. & W. Co. v. Old Lexington Club, 31 App. D. C. 223 (1908); Star Brewery Co. v. Val. Blatz Brewing Co., 36 App. D. C. 534 (1911); Ford v. Foster (1872), 7 Ch. App. 611; National Starch Mfg. Co. v. Munn's Patent Co. (1894) A. C. 275; 11 R. P. C. 281; Kerly, [English] Law of Trade-Marks (6th Ed. 1927), pp. 422-4.

[2] Smith Dixon Co. v. Stevens (1904), 100 Md. 110, 59 Atl. 401; Drive It Yourself Co. v. North (1925), 148 Md. 609, 130 Atl. 57; Interstate Distilleries Inc. v. Sherwood Distilling & Distributing Co. (1937), 173 Md. 173, 195 Atl. 387; Sherwood Co. v. Sherwood Distilling Co. (1939), 177 Md. 455, 9 Atl. (2d) 842; 30 Columbia Law Rev. 695, 697, and Ford v. Foster, L. R. 7 Ch. App. 611, quoted with approval in Interstate Distilleries Inc. v. Sherwood D. & D. Co., *supra,* 173 Md. at 181.

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[1] *Bayer Co.* v. *United Drug Co.,* 272 Fed. 505 (S. D. N. Y., 1921).

part of their trade-marks. These consents were referred to in the opinion of the Court below (R. 2169).

Petitioner contends at p. 36 of its brief that this section of the Restatement "can have no application to a case such as that at bar where the Court has specifically held that the trade-mark is valid." This is typical of the reckless assertions of the petitioner. The Court below left open the validity of the petitioner's trade-mark and did not hold it to be valid (R. 2160-2162).

8. The Confusion and Substitution Evidence.

Petitioner repeatedly refers to its consumer witnesses, who expressed the opinion at the trial that they regarded respondents' beverages and would similarly regard any beverage bearing a mark of which the word cola was a part as being other and different products of the Coca-Cola Company (pp. 30, 38, 40). None of these witnesses testified that he had confused respondents' products as and for the petitioner's.

The Court considered the evidence insufficient for the reason that mistakes of a handful of persons out of the many millions of consumers of petitioner's products, especially in view of petitioner's failure to disclose to the Court the number of consumers it had investigated or the other relevant facts relating to the surveys it made, must be disregarded under the authority of such cases as *John Morrell & Co.* v. *Doyle,* 97 Fed. (2d) 232 (C. C. A. 7th, 1938), cert. den. 305 U. S. 643 (1938) and *Glenmore Distilleries Co.* v. *National Distillers Products Corp.,* 23 Fed. Supp. 928 (E. D. Va., 1938), aff'd 101 Fed. (2d) 479 (C. C. A. 4th, 1939), cert. den. 307 U. S. 632 (1939). In both of these cases, this Court refused certiorari.[1]

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[1] See also: *Bliss, Fabyan & Co.* v. *Aileen Mills Inc.,* 25 Fed. (2d) 370, 372 (C. C. A. 4th, 1928), *Steem-Electric Corp.* v. *Herzfeld Phillipson Co.,* 118 Fed. (2d) 122, 125, 127 (C. C. A. 7th, 1940); *H. E. Allen Manufacturing Co. Inc.* v. *Smith,* 224 App. Div. 187, 229 N. Y. Supp. 692, 695 (4th Dept., 1928).

Thus the Court below states (R. 2173):

> " . . . the evidence of plaintiff's witnesses that the word indicates to them only a product of the Coca-Cola Company is seen to be entitled to little weight. See the discussion of the evidence in *DuPont Cellophane Co.* v. *Waxed Products Co.*, 2 Cir., 85 F. 2d 75, 80."

In the *Morrell* case the Court stated at p. 237:

> "We find in the record some evidence of confusion regarding these two brands of dog food, but such evidence, when considered in connection with the volume of the product manufactured and sold, is to us rather insignificant. During the five-year period from April, 1932 to April, 1937, the plaintiff sold nearly 102,000,000 pounds of Red Heart dog food with a sale value of something over $7,000,000. *It would be possible, no doubt, to procure some evidence of confusion or mistake whatever mark was used by a competitor in such products.*"

Moreover, since the misapprehension of these witnesses resulted from respondents' use of the descriptive and generic word cola, the Court below properly regarded the evidence as legally insufficient. As was stated in *Warner & Co.* v. *Lilly & Co.*, 265 U. S. 526, 528 (1924):

> " . . . The use of a similar name by another to truthfully describe his own product does not constitute a legal or moral wrong, even if its effect be to cause the public to mistake the origin or ownership of the product. . . . "

See also:

Delaware & Hudson Canal Co. v. *Clark*, 13 Wall (80 U. S.) 311 (1872);
Sir Peter Coats v. *Merrick Thread Co.*, 149 U. S. 562, 573 (1898).

Petitioner's repeated references to the instances of substitution and passing off (pp. 30, 8) are calculated to create the impression that this record contains actual evidence of confusion

of goods. Petitioner has not disclosed that this substitution occurred in the sale of respondents' syrup at soda fountains and the use of its beverage as a mixer in bars and taverns. At soda fountains and in bars and taverns, beverages are dispensed to the consumer in glasses for immediate consumption. Neither the trade-marks nor the dress of respondents' products contributed in any wise to these substitutions. It can no more be said that respondents' use of the word cola as part of their trade-mark contributed to the substitution than that the use of the words "MarBert" or "Dixi" would have an equal effect. This record contains no evidence of any passing off of respondents' drink when served and sold in bottles as and for the petitioner's.

Petitioner was awarded a sweeping injunction to prevent the recurrence of the acts of substitution claimed in this suit. The decree of the Trial Court, affirmed below, restrains the defendants from using the characteristic color of a cola beverage in connection with the marketing of their product in non-bottled form. The Court below sought to mold the plastic processes of equity to the offense charged in the case. It restrained the unfair competition and interdicted the use of brown coloring, thus making a recurrence of passing off completely impossible. It refused, however, to go further and restrain respondents' use of the word cola, which has nothing whatever to do with the passing off complained of in this case.

The petition (p. 13) makes reference to the fact that the Pepsi-Cola Company, the producer of the drink Pepsi-Cola, the Nehi Corporation, the producer of the drink Royal Crown Cola, and Life Savers Corporation, the producer of various candy products sold under its trade-mark, including Cola Life Savers, filed briefs as *amici curiae* in the Circuit Court of Appeals, and it is asserted that the presence of the *amici curiae* below led the Circuit Court of Appeals to determine the issue of infringement *in vacuo* without regard to the facts of this case. Leave to file such briefs was sought by these companies because the petitioner had

sought and had obtained from the Trial Court a sweeping declaration that it possessed exclusive rights to the word cola as part of a trade-mark. The same ruling was, in effect, requested by petitioner from the Circuit Court of Appeals (Plff's. Main Brief, p. 58). It was the *amici curiae,* contrary to the suggestion now made by petitioner, who requested that the decision of the Circuit Court of Appeals be limited to the rights of the petitioner against the present respondents.

The breadth of petitioner's contentions is pointed out by the Court below in its opinion (R. 2162). It states that the petitioner insisted "that no one shall use the word 'cola' in a trade-mark, even in connection with a prefix that prevents all confusion with the name Coca-Cola." The Court, in holding that there was no infringement, rejected this broad claim of the petitioner.

9. Validity of Petitioner's Trade-Mark.

The respondents put in issue, both in the Trial Court and on the appeal, the validity of petitioner's trade-mark. It was contended that this mark, consisting of a compound of two ordinary descriptive words, was neither a valid technical common law trade-mark nor properly registered under the Federal Trade-Mark Laws.[1]

The Court below was of the opinion that there was a sufficient showing that the words "Coca-Cola" had acquired a secondary meaning identifying the plaintiff's product, to make it unnecessary to determine whether the plaintiff's mark should be regarded as a valid common law trade-mark or as a trade-name protected by reason of its secondary meaning (R. 2162). It held that the scope of relief would be the same whether petitioner's mark be deemed a technical trade-mark or a mere trade-

[1] *Warner & Co.* v. *Lilly & Co.,* 265 U. S. 526 (1924); *Elgin National Watch Co.* v. *Illinois Watch Case Co.,* 179 U. S. 665, 672-3 (1901); *Estate of Beckwith* v. *Com. of Patents,* 252 U. S. 538, 543-4 (1920).

name (R. 2162). With regard to the validity of the various registrations[1] it stated:

> " . . . it is not necessary for us to decide the point here . . . ". (R. 2161.)[2]

10. The Decision Below is Not in Conflict with Rule 52(a) of the Rules of Civil Procedure.

The petitioner argues that the District Court's decision of infringement was not "clearly erroneous" and that the Circuit Court of Appeals was thus not at liberty under Rule 52(a) to overturn this determination.

It is apparent that this belated reference to Rule 52(a), which was not cited to the Court below, is but a desperate attempt to create an issue of law which does not exist.

The District Court's determination of infringement rested upon several erroneous conceptions of trade-mark law. First, the District Court gave no consideration to the settled rule that the inclusion of a descriptive word as part of a distinguishable compound trade-mark is not an infringement. Second, the Dis-

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[1] Compare 33 Stat. 725, 15 U. S. C. A. §85 (1905); *Worster Brewing Corp. v. Rueter & Co.*, 30 App. D. C. 428 (1908), (cited with approval in *Thaddeus Davids Co.* v. *Davids*, 233 U. S. 461, 467 (1914); *McKesson & Robbins, Inc.* v. *Phillips Chemical Co.*, 53 Fed. (2d) 342 (C. C. A. 2d, 1931), modified 53 Fed. (2d) 1011 (C. C. A. 2d, 1931), cert. den. 285 U. S. 552 (1932); *In re Hoff*, 33 App. D. C. 233 (1909); *Capewell Horse Nail Co.* v. *Mooney*, 167 Fed. 575 (C. C. N. D., N. Y., 1909); affd. 172 Fed. 826 (C. C. A. 2d, 1909); *Natural Food Co.* v. *Williams*, 30 App. D. C. 348 (1908); *In re Wright*, 33 App. D. C. 510 (1909); *Sears & Nichols Co.* v. *Brakeley*, 38 App. D. C. 530 (1912); *McIlhenny's Son v. B. F. Trappey & Sons*, 278 Fed. 582 (App. D. C., 1922); *Ostermoor* v. *International Bedding Co.*, 18 Fed. (2d) 156 (App. D. C. 1927); *Baker* v. *Baker*, 6 U. S. Patent Quarterly 103 (1930); *Montevallo Coal Mining Co.* v. *Little Gem Coal Co.*, 48 Fed. (2d) 411 (C. C. P. A. 1931).

[2] Thus, the assertion of the petitioner, repeated numerous times (pp. 2, 4, 11-12, 18, 36) in its petition and brief, that the Circuit Court of Appeals adjudged its mark to be valid in addition to being irrelevant, is clearly erroneous.

trict Court proceeded upon the assumption that descriptive and generic words may be monopolized as part of a trade-mark. Third, the District Court failed to follow and apply the ruling of this Court in *U. S.* v. *Forty Barrels of Coca-Cola,* 241 U. S. 265 (1916) in which it was held that the words coca and cola were descriptive of petitioner's product. Fourth, the Court ruled out as legally immaterial the great mass of proof which was offered concerning the generic significance of the word cola at the present time. Fifth, the District Court failed to appreciate that the evidence of substitution in the sale of respondents' product in glasses for immediate consumption at soda fountains and at bars and taverns is without relevance to the issue of trade-mark infringement, since the record is clear that respondents' trade-marks contributed in no respect to such substitutions. Finally, the Trial Court accorded weight to the testimony of consumer witnesses, despite the clear insufficiency of such opinion and hypothetical evidence.

The determination of infringement being thus based upon these demonstrably clear errors, it was entirely within the province of the Circuit Court of Appeals to reverse. In reversing, the Circuit Court of Appeals did not disturb any of the provisions of the sweeping decree of the Trial Court which grants the petitioner full and effective relief, other than that part of the decree which adjudicated the marks "Dixi-Cola" and "Mar-Bert the Distinctive Cola" to be infringements.

Moreover, on the important factual questions in this case there was concurrence in the findings of both the trial and the appellate Courts. Thus, for example, the Trial Court recognized the generic nature of the word Cola at the time of the trial (R. page 1536) but ruled as matter of law that the genericness of a word is only material if it antedates the adoption of the petitioner's mark.

It is noteworthy that none of the cases which petitioner cites as having interpreted Rule 52(a) *was concerned with trade-*

mark litigation. Since the adoption of Rule 52(a), *there have been numerous cases in which determinations as to the infringement of a trade-mark or a trade name by the District Courts have been reversed by the Circuit Courts of Appeals.*[1]

The claim now made is quite extraordinary in view of the nature of the issue of infringement. Unlike the issues in other types of litigation, the determination of infringement does not typically require the resolution of conflicts of testimony or the determination of questions of credibility. The ultimate question is whether the marks themselves, which are before the appellate as well as the Trial Court, are confusingly similar and thus likely to lead to confusion of the public.

Petitioner is not really concerned with the true meaning and scope of Rule 52(a).[2] It is asking this Court to take action in respect of the decision of the Circuit Court of Appeals on the issue of infringement which it claims that Court was powerless to take in respect of the District Court's decision. Were this not

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[1] *Procter & Gamble Co.* v. *J. L. Prescott Co.* (C. C. A. 3d, 1939), 102 Fed. (2d) 773, cert. den. 308 U. S. 557; *Grove Laboratories, Inc.* v. *Brewer & Co.* (C. C. A. 1, 1939), 103 Fed. (2d;) 175; *Shaler Co.* v. *Rite-Way Products Inc.* (C. C. A. 6th, 1939), 107 Fed. (2d) 82, cert. den, 310 U. S. 634; *Walgreen Drug Stores, Inc.* v. *Obear-Nester Glass Co.* (C. C. A. 8th, 1940), 113 Fed. (2d) 956, cert. den. 85 Law Ed. (Adv. Op.) 124, 282; *Little Tavern Shops, Inc.* v. *Davis* (C. C. A. 4th, 1941), 116 Fed. (2d) 903; *Arrow Distilleries, Inc.* v. *Globe Brewing* Co. (C. C. A. 4th, 1941), 117 Fed. (2d) 347; *California Fruit Growers Exchange* v. *Windsor Beverages, Ltd.* (C. C. A. 7th, 1941), 118 Fed. (2d) 149.

[2] It is clear from the discussion of Rule 52(a) by its framers that this rule was not intended to alter the previous practice as to the scope of review in equity cases. See Annotations of the Advisory Committee to Rule 52; Remarks of Hon. Wm. D. Mitchell, Chairman of the Advisory Committee, PROCEEDINGS OF CLEVELAND INSTITUTE ON FEDERAL RULES (1938), pp. 107-8, 318, 368, 383-4, 387; PROCEEDINGS OF NEW YORK SYMPOSIUM (1938), pp. 286-8; Remarks of Major Edgar B. Tolman, Member of the Advisory Committee, PROCEEDINGS OF WASHINGTON INSTITUTE (1938), pp. 127-8; Moore, Federal Practice, Vol. 3, pp. 3115-8; Simkins, Federal Practice (3rd Ed. 1938), p. 488.

so, petitioner would not be arguing the broad question of infringement in its petition and brief and would not be asking this Court to consider the other questions which it is presenting.

CONCLUSION

It is respectfully submitted that the petition for certiorari be denied.

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